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SUBJECT: PRESIDENT KIRCHNER'S TRIP TO NEW YORK AND MEETING WITH
AMBASSADOR WAYNE AND ASSISTANT SECRETARY SHANNON; OUTCOME OF MEXICAN
ELECTIONS; 09/22/06

1. SUMMARY STATEMENT

Today's major papers "Clarín" and "La Nación" reported on President Nestor Kirchner's trip to New York and his meeting with US Ambassador to Argentina, Tony Wayne, and US Assistant Secretary for Western Hemispheric Affairs Thomas Shannon. Daily-of-record "La Nación" carries an editorial on the outcome of Mexican election highlighting Venezuela's failed interference in the procedure.

2. OPINION PIECES

- "Kirchner - price monitoring will continue one more year"

Ana Baron, Washington-based correspondent for leading "Clarín," comments (09/22) "In a room that was crowded with businessmen, bankers, Wall Street agents, and US officials, President Nestor Kirchner announced last night that he expected to put an end to 'price monitoring by late 2007 or early 2008 at the latest.'

"... Kirchner explained that, in fact, there are no price controls in Argentina but price monitoring..., which is reported to be one of the elements that has most discouraged foreign investment. ... Kirchner's announcement was obviously part of his initiative to attract new investors.

"Kirchner insisted that 'Argentina's doors are open to foreign investment,' 'there is not and there will not be controls on capital flow but on speculative capital flow.' Furthermore, Kirchner spoke about the need for clear and predictable rules.

"Last night's dinner was organized by the Council of the Americas and particularly by its head, Susan Segal, and was preceded by a small meeting among the members of that organization and Kirchner. The newly elected US Ambassador to Argentina, Earl Anthony Wayne, attended the meeting.

"Everyone agreed that the meeting was very nice and that, while Wayne will obviously defend the interests of US corporations in Argentina, he will also work to solve the problems that could come up in the (bilateral) relationship.

"In fact, during his speech Kirchner urged the 'US to support the region.' He spoke about the need for that support in a tone that he had never used before.

"He repeatedly invited attendees to invest in the country because they will make money. However, he acknowledged that there is still a problem of credibility.

"... Kirchner added that if Argentina grows at a three-percent

annual rate during the upcoming years, 'we will have a major country that will contribute to the economy of the region,' and that businessmen will profit from their investments in the country.

"Generally speaking, the dinner was cordial. Among invitees, there was US assistant Secretary for Western Hemispheric Affairs Tom Shannon; the President and VP, Occidental Petroleum, John Morgan and David Powell; Alberto Fernandez; and Susan Segal - President Kirchner stated praise and deep gratitude for her support for the country."

- "First outcomes of two challenging trips"

Marcelo Bonelli, economic columnist of leading "Clarín," writes (09/22) "(Argentine) President Nestor Kirchner had a cautious welcome in the US while Economy Minister Felisa Miceli promoted the replacement of Federico Molina, the current Argentine financial representative in the US after a retreat in Singapore."

"... President Nestor Kirchner's visit to Manhattan left something clear - the diminished political importance of Argentine Ambassador Octavio Bordon and the leading role played by Consul Hector Timerman. Bordon was not even involved in arranging a crucial meeting - that of Assistant Secretary Tom Shannon with Ministers Alberto Fernandez and Julio De Vido, which was arranged by Susan Segal, head of the Council of the Americas..."

"Shannon attempted to rebuild deteriorated diplomatic ties between Washington and Buenos Aires. First of all, he clarified that the US Department of State does not support Roberto Lavagna's candidacy and he also denied that the new US Ambassador to Argentina is supposed to strengthen the opposition against Kirchner. Additionally, he praised the President's pursuit of investment, although he also expressed concern about Argentina's closeness to Hugo Chavez..."

"Finally, Shannon made a concrete request - Washington wants

Kirchner to moderate the instability created by both Chavez and Morales. In other words, Washington wants Argentina to preserve its leading role by following Brazil's example and setting a limit on Chavez."

- "Kirchner promises high profitability"

Martin Rodriguez Yebra, on special assignment in New York for daily-of-record "La Nación," writes (09/22) "... During a dinner that was organized by the Council of the Americas, President Nestor Kirchner explained the reasons why his economic program is reliable, and he emphatically denied the risk of an energy crisis in the country."

"In tune with his message at the New York Stock Exchange, he spoke of 'predictable and clear rules, (judicial) security for investors and a sound fiscal policy,' all of which will guarantee the country's sustained growth."

"... At the last minute, the future US Ambassador (to Argentina), Earl Anthony Wayne; the US Ambassador to the OAS, John Maisto; and George W. Bush's man for Latin American Affairs, Tom Shannon, joined the Argentine President's table."

"Now that the bilateral relationship is at a cool point, this was Kirchner's only contact with members of the USG during his one-week trip to New York, which was aimed at attracting investment."

13. EDITORIALS

- "Mexico's lesson"

An editorial in daily-of-record "La Nación" reads (09/22) "There is a false assumption that everything can be manipulated through media images and words... an idea used by leftist political leaders who want to take hold of Latin America as a scenario of weird utopias."

"Andres Manuel Lopez Obrador is one of the politicians that has most trusted in media methodology... He has shocked Mexico for weeks."

"... Two of the most respected Mexican institutions have said that Felipe Calderon won elections. As a result of this, fissures have started to appear in Lopez Obrador's political front...

"Cuauhtemoc Cardenas, founder of Partido de la Revolucion Democratica (PRD), said 'I am deeply concerned about Andres Lopez Obrador's intolerance'...

"Two governors from the PRD have already acknowledged Calderon's victory...

"The time has come for Mexico to start getting ready for a new period of peace, freedom and prosperity and to take advantage of the coincidence that for the second time in the year (first, it was in Peru), the Venezuelan regime's interference in other countries of the hemisphere has ended up in a conclusive failure."

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